Govt. H. 57—100,000—23-2-52.

DRV.

(1952) Department.

Ms. SERIES.

G.O. No.	2094
Dated	14.5.52

[Despatch Abstract.]

Textiles - 5 years - Distribution Co-operative Mills Depots Collection of Sales tax - Instructions.

GOVERNMENT OF MADRAS.

ABSTRACT.

Textiles - Yarn - Distribution through mills depots - Collection of sales tax - Instructions.

Development Department.

G.O.Ms.No.2094, Dated 14th May 1952,
Read the following:-

From the Collector of Ramanathapuram,
No.Roc.Y 1.1030/52, dated 1.4.1952.
From the Director of Controlled Commodities,
Rc.No.22176/52/D8, dated 15.4.1952.

O R D E R:

The Collector of Ramanathapuram has raised the question whether it is regular for depots opened by mills to sell their yarn, to collect sales tax on the gross price i.e., ex-mill price plus profit margin.

The tranfer of yarn bales from the Mills to the Mills' Depots cannot be construed as 'sale' of yarn for purposes of the Madras General Sales Tax Act. Hence the Mills depot is the first dealer in the State having a taxable turnover, and is liable to pay sales tax to the Commercial Taxes Department. There is therefore nothing irregular in the depots collecting sales tax on the gross sale price(viz., ex-mill price plus the project margin of 6¼%).

(By Order of etc.)

(Sd.) x x x,
Secretary to Government.

To The Collector of Ramanathapuram.

p.t.o..2

To The Director of Controlled Commodities.
To ~~The~~ All other Collectors.

/True copy/

R Nagarajan
20.9.60

Superintendent,
Madras Record Office,
Madras.

gh.20.9.

V.T.
20.9